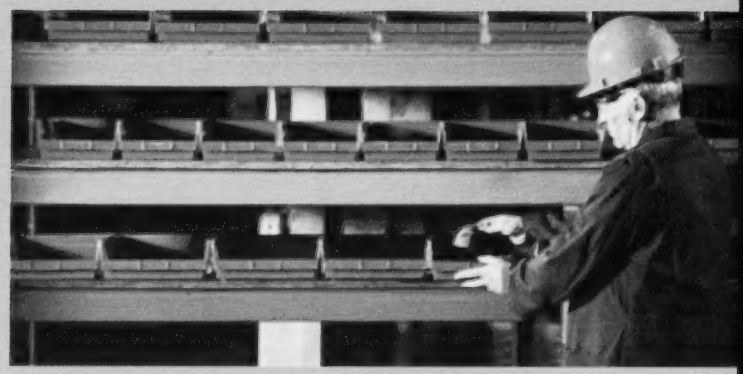
WCB SASKATCHEWAN WORKERS' COMPENSATION BOARD

REPORT TO STAKEHOLDERS 2006



In serving injured workers and employers, our vision is to excel in the development and delivery of workers' compensation and injury prevention programs and services.

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Message from Chairman and Chief Executive Officer

John Solomon, Chairman

Peter Federko, Chief Executive Officer

This report is designed to provide our stakeholders with an overview of the Saskatchewan Workers' Compensation Board for 2006.

You will find descriptions and statistics on many of our most important programs and how they relate to the successes of the organization. We must always remember that, while these indicate the results of what shaped the WCB in 2006, the key is the positive relationships that exist between the WCB, workers, employers and caregivers in this province.

The Committee of Review was appointed in 2006 to review *The Workers' Compensation Act* and our operations. Many of our stakeholders took the opportunity to comment on our operations. We look forward to that report and whatever recommendations come from it to help us continue to work efficiently and effectively.

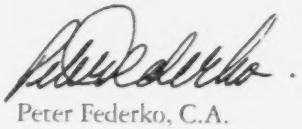
You will find information in this report that explains our processes and programs. These are all designed to ensure the WCB is able to respond to your needs. You will see how the WCB plans for the future through our Risk Management process and our strategic plan. Both of these are reviewed and updated annually to focus on where the needs of workers and employers will be both today and in the future. These tools allow us to plan for the future, to respond appropriately operationally and fiscally, and maximize the opportunity for success.

The Corporate Balanced Scorecard provides data and information on our key programs and how we are meeting the goals established through the strategic plan. It provides year-by-year comparisons so that objectives and results can be measured to ensure the WCB is on target to meet our vision of serving the workers and employers of Saskatchewan.

The WCB continues to focus on our customers, our financial obligations to our stakeholders, safety and prevention programs, maintaining staff efficiencies and effectiveness and planning for your future needs.

Last year we celebrated 75 years of serving the people of Saskatchewan. This year, we believe you will see that we continue to focus on serving the workers and employers of Saskatchewan as we move towards 100 years of service.

John Solomon
Chairman



Peter Federko, C.A.
Chief Executive Officer

Year at a Glance

	2006	2005	2004	2003	2002
Number of workers covered[1]	338,898	327,064	325,565	309,362	306,518
Lost time claim rate (per 100 workers)[2]	4.05	4.25	4.40	4.81	4.95
Number of claims reported	40,922	39,904	37,715	38,919	39,821
Number of lost time claims accepted[2]	13,732	13,904	14,329	14,876	15,174
Permanent Functional Impairment awards	509	460	431	469	484
Fatal claims accepted	22	20	26	26	16
Number of appeals filed					
Appeals Committee	1,008	1,149	1,077	1,081	979
Board Level	233	308	284	240	297
Return to work percentages					
Secondary treatment centres	92%	87%	85%	88%	91%
Tertiary treatment centres	87%	8 %	82%	79%	84%
Claim costs ($ millions)	241.1	205	210.9	199.2	†221.1
Active employer accounts[3]	33,438	32,851	32,125	31,630	31,327
Premium revenue ($ millions)	221.2	212.0	221.0	177.6	†154.4
Average Actual Premium Rate[4] (per $100 of insurable earnings)	1.84	1.97	2.05	1.83	1.67
Investment income ($ millions)	87.5	†54.8	†41.8	†55.2	†52.3
Benefits liabilities ($ millions)	935.2	871.3	836.5	801.8	778.5
Reserves and Injury Fund Excluding AMVA ($ millions)	26.3	7.4	(9.5)	(51.4)	(43.5)
Reserves and Injury Fund Including AMVA ($ millions)	211.7	135.2	52.7	N/A	N/A

[1] Full-time equivalent workers based on Statistics Canada average wage and WCB payroll information as of December 31st. 2006 full-time equivalent workers based on estimate of both average wage and payroll information.

[2] Number of time loss claims and the lost time claim rate are as at December 31st.

[3] Includes active employers as at December 31st.

[4] All years are Board-approved rates.

† Certain comparative figures have been changed to conform to the current year's presentation.

Comparison With Canadian WCBs

(from Association of Workers' Compensation Boards of Canada 2005 Key Statistical Measures)

*The lowest average calendar days from registration of a claim to first payment at 13.43 days (Nova Scotia was second at 15.00 days).

*The lowest average calendars days from injury to first payment issued at 18.69 days. (Alberta was second at 19.00 days).

*The lowest average composite duration of claims at 42.67 days. (The Northwest Territories was second lowest at 43.60 days).

*The second lowest administration costs per time loss claim at $2,474. (Manitoba is the lowest at $2,386).

*The third lowest administration costs per $100 assessable payroll at $0.30. (Alberta is first at $0.22; New Brunswick and Quebec are second at $0.29).

*The third lowest provisional premium rate for 2006 at $1.84. (Alberta is first at $1.57; Manitoba is second at $1.68).

Safety and Prevention

Preventing workplace injuries is a key goal of the WCB. This is reaffirmed by the Board's decision to place excellence in injury prevention alongside excellence in workers' compensation in WCB's vision statement. Over four years, there has been a steady drop in the injury rate, reaching 4.05 per cent in 2006 from a high of 4.95 per cent in 2002. WCB is committed to reducing this rate even further and has set a goal of 3.50 per cent by the end of 2010.

Many factors affect the workplace injury rate. One of the keys is the provincial economic boom. Fast growth is good for the economy, creating more job opportunities. At the same time, more people working create more opportunity for injury. It means employers and workers have to be even more vigilant in safety and injury prevention efforts. During busy times we are tempted to cut corners to get things done and too often this results in injury.

WorkSafe Saskatchewan

WorkSafe Saskatchewan, a partnership between WCB and the Department of Labour continues to be the cornerstone of workplace prevention efforts in the province. ***WorkSafe Saskatchewan's*** vision to create a workplace culture that prevents occupational illness and injury. ***WorkSafe Saskatchewan*** believes partnerships are essential to success and that it can act as a catalyst to reduce the injury rate by working with employers, workers, safety association, organized labour, and employer associations.

Promotion campaigns augment prevention efforts by sending strong messages: all workplace injuries are preventable, everyone has a role in reducing workplace injuries, and the social and economic impacts of workplace injuries are enormous.

For employers, the key is to introduce safety and prevention programs, identifying areas of potential concern and correcting problems before workplace injuries occur. Many partnerships have been started, and more are planned, with employers, employer groups and unions to continue to reduce the injury rate in Saskatchewan workplaces.

WorkSafe Saskatchewan has three key strategies:

- **Prevention Promotion**
  A continuing information program aimed at the public, workers and employers using a variety of media components to build awareness of the importance of prevention and the impact of workplace injuries.
- **Education and Training**
  Works to ensure occupational health and safety education and training is ongoing and effective.
- **Resource and Information Sharing**
  Building partnerships and working relationships to share information and resources to advance prevention activities.

WorkSafe Saskatchewan continued to expand and enhance its programs in 2006.

Partnership Building

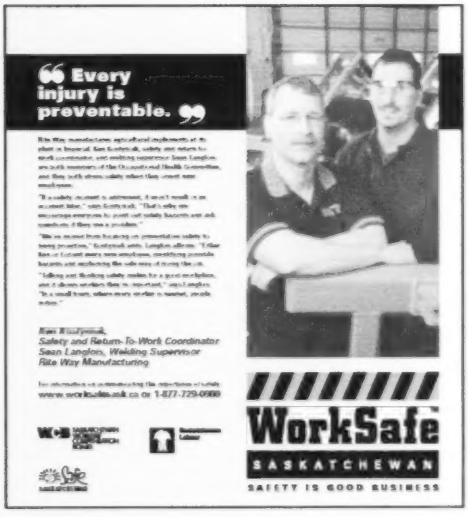
A number of initiatives to partner with safety associations, employer groups and worker

Safety and Prevention

organizations helped drive prevention strategies in the province.

The *WorkSafe Saskatchewan* program, a partnership between the WCB and the Department of Labour, continues to be the cornerstone of the WCB's prevention programs.

Two key partnerships are with the Joint Industry Committee (JIC) and ***Safe Saskatchewan.*** The JIC was established to support positive change to the way health and safety is viewed and managed. It is also leading the way in setting a Framework of Standards for safety program development, evaluation and certification. The overall goal is to have industry, through voluntary participation, bring about significant and sustained injury reduction for Saskatchewan employers and workers.



Safe Saskatchewan

Safe Saskatchewan is focused on preventing injuries in all aspects of Saskatchewan life, complementing the ***WorkSafe Saskatchewan*** focus on the workplace. Led by a coalition of business, community, non-profit, government and non-government organizations, it is one of the only programs of its kind in Canada.

It builds on the work done by its partner organizations to address injuries related to life in Saskatchewan. Its objective is to reduce the number of injuries by building public awareness of the need for safety and injury prevention at work, at home, and at play.

Founding partners of ***Safe Saskatchewan*** include Saskatchewan Safety Council, ***WorkSafe Saskatchewan,*** Mosaic Potash, SaskPower, SaskFerco, IPSCO, Prairie Mines and Royalty Ltd., Saskatchewan Health, Saskatchewan Safety Council and SGI.

Health Care Workplace Safety

WorkSafe Saskatchewan continued to work with several interested parties to improve workplace safety in the health care industry. A key component was supporting the Provincial OH&S Working Group in

health care and the Health Services Sector Advisory Committee to address specific issues facing health care employers and workers.

The WCB and OH&S focused on 10 health care employers with inspections and support. The end result was a 3.7 per cent drop in the collective injury rate for these employers.

Large Employer Workplace Strategy

Beginning in 2004, the ***WorkSafe Saskatchewan*** partners identified ten Saskatchewan employers reporting high frequencies of injuries over a three year period. These employers, with assistance from WCB and Department of Labour, were encouraged to reduce their injury rates, lessen the severity of injuries, and reduce the durations of time loss claims in their workplaces. The strategy has proven to be successful. The original ten employers achieved a 34.1 per cent decrease in their composite injury rate, dropping from 8.8 per cent at the end of 2003 to 5.8 per cent at the end of 2006.

In 2006, ***WorkSafe Saskatchewan*** identified a second group of employers who needed focused attention on reducing the number of injuries in their workplaces. To date, most of the employers have been receptive to the efforts from WCB and the Department of Labour and have welcomed suggestions to improve their health and safety programs. After one year, this group has experienced a 16.3 per cent drop in their injury rate from 6.4 per cent at the end of 2005 to 5.3 per cent at the end of 2006.

Safety and Prevention

WCB Priority 30

This program is similar to the Large Employer Workplace Strategy but is WCB focused and looks at 30 additional organizations in the province with high workplace injury rates. Working with each individual employer to focus on safety and prevention proved successful as the injury rate for this group dropped by 24.8 per cent in 2006. We will continue the Priority Employer initiative into 2007.

Safe Worker Award

The first Safe Worker Award for Saskatchewan was given to Ken Kostyniuk, from Riteway Manufacturing in 2006. Developed by the ***WorkSafe Saskatchewan*** partners, the Saskatchewan Federation of Labour and the Saskatchewan Safety Council, the award is based on demonstrated innovation, dedication and ownership of safety in the worker's workplace and a commitment to living the principles of a workplace safety culture. Nominations were sought from all 4,500 provincial Occupational Health and Safety Committees. This is now an annual award.

2006 SAFE WORKER AWARD

Workplace Safety Leader Honoured With First Annual Safe Worker Award

Since 2002, our province has seen a steady decline in workplace injuries thanks to new programs, changing attitudes and the commitment and dedication of people like Ken Kostyniuk, winner of the first annual Safe Worker Award.

Created by Worksafe Saskatchewan, the Saskatchewan Federation of Labour and the Saskatchewan Safety Council, the Safe Worker Award honours workers who have carried the banner for a culture of safety in their workplaces, demonstrating innovation, dedication and ownership in their contributions to workplace safety.

Ken, an AutoCad Designer at Rite Way Manufacturing in Imperial, exemplifies personal commitment and dedication to workplace safety. He championed the development and implementation of Rite Way's corporate safety and return to work programs, doing much of this work in his personal time. His tireless efforts were rewarded by a high level of employer and worker buy-in and involvement that led to demonstrable, positive efforts on the entire Rite Way organization.

Ken is quick to share credit for the success of his efforts with his coworkers, noting that "without everyone's participation none of this would have been possible and the results ... were phenomenal."

The partners in the Safe Worker Award are proud to honour the creativity and dedication of leaders like Ken, along with all the nominees for the first annual Safe Worker Award and the working people across our province who are helping to build a culture of safety in their workplaces every day.

Steve Wallace, President, Saskatchewan Safety Council; Walter Lberle, Labour Board Member, WCB; Ken Kostyniuk, Rite Way Manufacturing; Glenesis Ribun, Acting Executive Director, OH&S, Saskatchewan Labour; John Solstrom, Board Chairman, WCB

WorkSafe SASKATCHEWAN

Safe Employer Award

A new award to recognize employers who are dedicated to safety and prevention in the workplace was initiated in 2006. The first employer award will be presented in 2007.

Awareness Strategy Success Ongoing

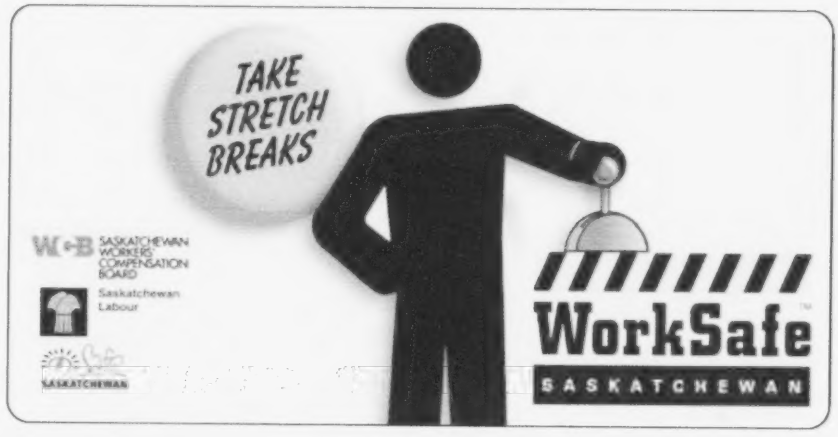
Ensuring public awareness and support for injury prevention and safety is critical to the success of ***WorkSafe Saskatchewan***.

A major campaign to enhance public knowledge and support and identify the shared workplace responsibility for injury prevention continued and grew in 2006. ***WorkSafe Saskatchewan*** used television, newspapers, radio, billboards and public outreach programs to promote its messages.

WorkSafe Bob – a generic work character – was used to demonstrate safe work practices. WorkSafe Bob was also introduced as a "live" character and used with great success in the public outreach program. He was seen at Saskatchewan Roughrider home games and led the fourth quarter stretch for fans, visited workplaces to demonstrate proper ergonomic stretch breaks from tasks and was identified as a key component in safety and prevention messaging.

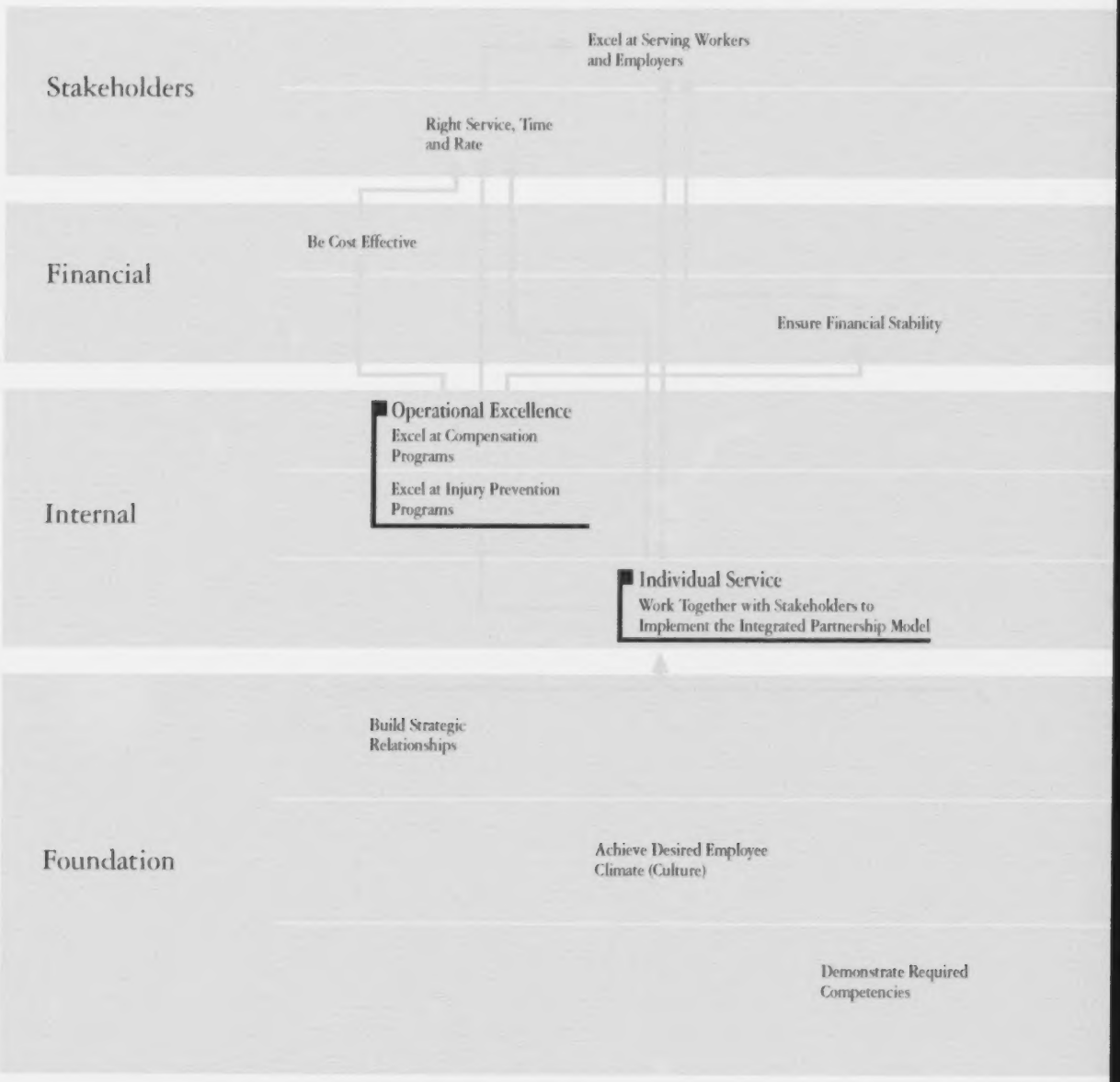
The overall campaign's performance is measured in the spring and fall each year. Highlights from fall 2006 include:

- Awareness of the ***WorkSafe Saskatchewan*** brand continues to be very high at approximately two-thirds of those polled.
- Almost 4 out of 10 people (38 per cent) report changing behaviour in the workplace because of ***WorkSafe Saskatchewan***.
- The level of public support for the WCB investing in safety promotion is at 95 per cent, its highest level ever.



Balanced Scorecard

In serving injured workers and employers, we will excel in the development and delivery of workers' compensation and injury prevention programs and services.



The chart illustrates how the strategic objectives chosen as indicators of organizational success build upon one another in the four strategic aspects: Foundation, Internal, Financial and Stakeholder. As they are fulfilled, these objectives help move us toward our vision of excelling in serving workers and employers.

Indicator	Strategic Objective Definition	Importance to Organization
Quarterly Customer Service Satisfaction Survey	Provide support to injured workers, their families, and employers and return injured workers to wellness and suitable employment	To achieve the vision and mission
1. Duration of Time Loss Claims (number of days 12 month rolling) 2. Time to First Payment 3. Time to Process Appeals	All WCB (compensation and employer) programs, processes, and services are provided when they are needed most, in an efficient and effective manner	To maximize stakeholder relationships, confidence and service satisfaction
Administration Cost/Time Loss Claim	Administration expenses will be managed in the most efficient and effective manner	To ensure that we are effective in providing value to our stakeholders
Assets/(Liabilities + Reserves)	Assets are adequate to cover liabilities plus reserves according to the Act and the WCB's funding policy	To protect benefit entitlement and maintain competitive rates
1. Accuracy of Entitlement Decisions (%) 2. Program Cost/Time Loss Claim 3. Return to Work (%)	Develop and deliver innovative quality compensation programs in a timely, efficient and effective manner	To provide injured workers, their families, and employers with excellent service
Injury Rate (%)	In cooperation with stakeholders, develop and implement a province-wide safety and injury prevention strategy	To reduce the provincial injury rate
1. Percentage of Return to Work Plans in Place 2. Injury Rate of Targeted Employers	Ensure all stakeholders understand and accept their respective roles and responsibilities in establishing effective return to work and injury prevention programs	All partners must understand and fulfill their roles for the system to reach its full potential
1. Number of MOUs/Charters/ Partnership Agreements in Place	Build external relationships with partners who will help the WCB achieve its strategic objectives	Working cooperatively produces better results
Cultural Audit Results	Facilitate positive change so that the organization moves toward its ideal culture as defined by WCB employees	Our corporate values are the standards by which our actions and decisions are to be considered and judged by others
1. Percentage of Employees Demonstrating Required Competencies as determined by Performance Management Process 2. Percentage of Employees Recruited Using Competency-based Staffing Process	90 per cent of employees demonstrate competence as defined by WCB's competency framework	Achievements include obtaining corporate and/or personal goals and targets regardless of size. In order to do this we must recruit for and develop the appropriate competencies

Balanced Scorecard

Stakeholders

Worker Satisfaction

Shows injured worker satisfaction with WCB services, using a quarterly random survey of claimants. A rating of 4 or above indicates that overall, workers are satisfied with the quality of service provided by the WCB.

2006's average satisfaction was 4.01 out of 5.0

Employer Satisfaction

Shows employer satisfaction with WCB services using a quarterly random survey. A rating of 4 or higher indicates that overall employers are satisfied with the quality of service provided by the WCB.

Employer's 2006 average satisfaction was 4.06 out of 5.0

Caregiver Satisfaction

Shows the strength of the WCB's relationship with health care providers.

Developing relationships with health care providers continues to be a key focus of operational plans.

At 3.7 out of 5.0, caregiver satisfaction is up 6 per cent from the previous survey.

Income Replacement

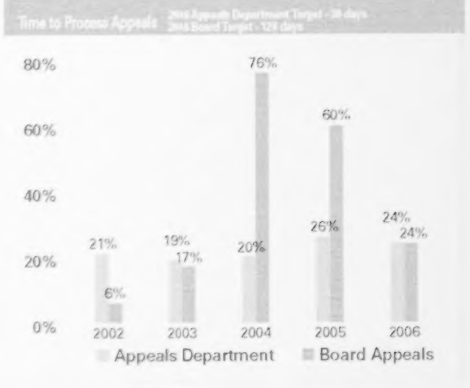
Shows the proportion of workers receiving their first wage loss cheque within 14 days of the date of injury.

2006's result of 70 per cent shows a 1 per cent decrease over the previous year. By comparison, 78 per cent of eligible workers received their first cheque within 14 days of the date the WCB was notified of the injury.

Appeals

Depicts the length of time to process an appeal from the date it is received by the WCB until a decision is rendered.

The percentage of appeals processed within 30 days at the Appeals department level dropped slightly to 24.3 per cent due to staffing issues. A key improvement was reducing the average days to a decision to 51, a reduction of almost 34 per cent. The backlog at December 31, 2006 was increased by 33 claims from the 2005 level; however, it remains one half of prior years' backlogs. The percentage of Board-level appeals processed within the 120-day target fell to 24 per cent on average for 2006 due to the increase in appeals received in 2005 which resulted in a backlog at the start of the year, the relocation of the department twice during the year and staff changes in the support area. This still left the WCB with a higher level than at the beginning of the year. By year end we were at 43 per cent and expect further improvement in 2007.



Claims

Indicates the average number of days paid for time loss claims, represented by all time loss claims paid within a 12-month period.

The duration of time loss claims fell from an average of 34.16 days in 2005 to 33.49 days in 2006.

Balanced Scorecard

Financial

Stability of Rates

Shows the change in employer rates over time.

2006's average Board-approved employer premium rate net of discounts was $1.84. This was approximately 6 per cent lower than the 2005 rate, and helped Saskatchewan maintain one of the lowest premium rates among provincial jurisdictions.

Fully Funded Status

Illustrates the comparison between the WCB's assets and liabilities.

For 2006, assets were $1,312.1 million and liabilities were $1,100.4 million.

The WCB continues in its ability to fund 100 per cent of its legislated requirement.

Administration Costs Per Time Loss Claim

Demonstrates the average cost for administering a time loss claim, an important measure of administrative efficiency.

In 2006, the administration cost per time loss claim was $2,590.

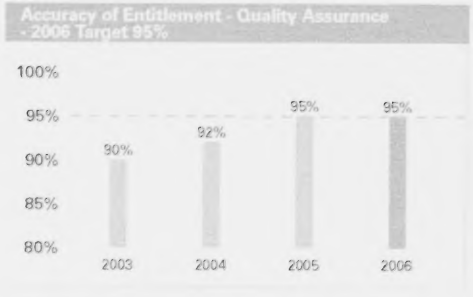
Saskatchewan continues to report the second-lowest administration cost per time loss claim in Canada according to AWCBC key statistical measures (most recent measures are for 2005).

Internal

Accuracy of Entitlement Decisions

Quality assurance checks are made in accuracy of entitlement decisions to ensure workers receive the right benefits in the right amounts. This measure was first introduced in 2003.

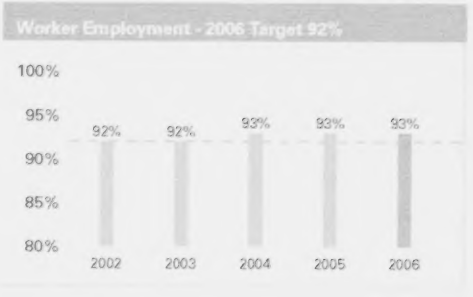
At 95 per cent, 2006's results met the target for the second consecutive year.



Return to Work

Depicts the proportion of injured workers who have returned to work after being declared employable.

Based on all closed claims, 93 per cent of injured workers returned to work in 2006. The remainder either moved to long-term compensation, or did not return to work for reasons not related to their claim. This result exceeds the 92 per cent target.



Program Cost Per Time Loss Claim

Measures amount spent annually on benefit programs as a comparison of program costs per time loss claim.

In 2006, each time loss claim saw an average of $10,582 spent on short and long term wage replacement, health care, and vocational rehabilitation costs.

Balanced Scorecard

Internal (continued)

Injury Rate

Measures the number of injuries per 100 workers.

The provincial injury rate continues to drop, reaching 4.05 per cent in 2006, an 18 per cent reduction since 2002. The goal is to reach 3.5 per cent by the end of 2010.

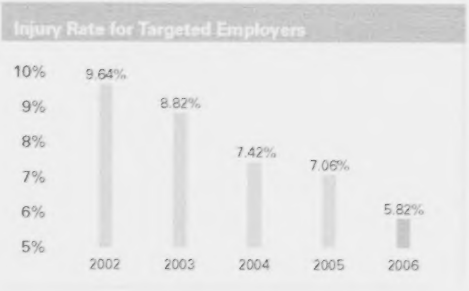
Injury Rate for Targeted Employers

Measures the injury rate for employers reporting the highest number of injuries.

This program was started as a ***WorkSafe Saskatchewan*** initiative to help targeted employers reduce their injury rates.

The original group of employers experienced a 34.1 per cent decrease in their composite injury rate, going from 8.8 per cent at the end of 2003 to 5.8 per cent at the end of 2006.

In 2006, a second group of employers was targeted. In one year this group experienced a 16.3 per cent decrease in their composite injury rate, going from 6.4 per cent at the end of 2005 to 5.3 per cent at the end of 2006.



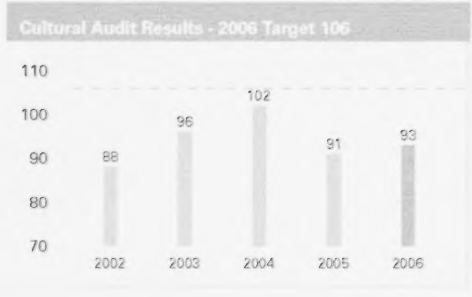
Foundation

Constructive Culture

Demonstrates the rating staff gives each year to positive aspects of the WCB's workplace culture. 100 represents the median score for companies using this test instrument.

The WCB measures the culture in two ways: behavioural norms assessed against a pre-established ideal based on similar organizations and a series of supplemental questions specific to the WCB.

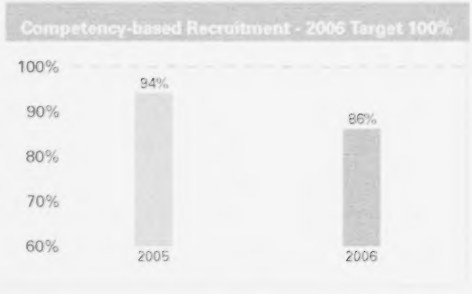
The results of the behaviour norms compared to the ideal were up slightly from 2005.



Competency-based Recruitment

Indicates the percentage of selection processes for permanent roles, using a competency-based interview model.

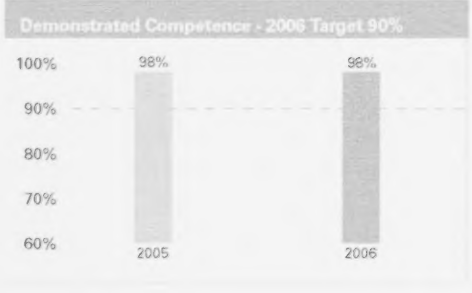
In its second year of use, the measure for 2006 indicates 86 per cent of permanent recruitments were competency-based.



Demonstrated Competence

Indicates the percentage of employees demonstrating required competencies for their jobs.

This measure was introduced in 2005 and again indicated 98 per cent of employees demonstrated the competencies required to do their jobs as determined through the performance management process.



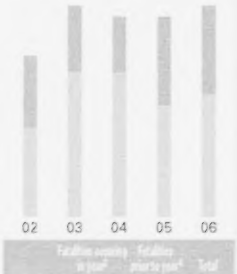
Statistical Summary

Claims Reported[1]	
2002	39,821
2003	38,919
2004	37,715
2005	39,904
2006	40,922

Claims Accepted[2]	
2002	35,128
2003	34,949
2004	32,681
2005	34,481
2006	35,551

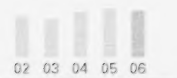
No Time Loss Claims[3]	
2002	19,938
2003	20,047
2004	18,326
2005	20,557
2006	21,797

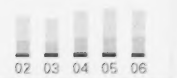
Time Loss Claims[3]	
2002	15,174
2003	14,876
2004	14,329
2005	13,904
2006	13,732



	Fatalities occurring in year[4]	Fatalities prior to year[4]	Total
2002	[illegible]	12	29
2003	[illegible]	12	38
2004	[illegible]	10	36
2005	[illegible]	16	36
2006	[illegible]	16	38

Average Days on Compensation[5]	
2002	25.4
2003	25.0
2004	23.2
2005	21.6
2006	21.9





Unaccepted Claims (%)[6]	Composition of Unaccepted Claims (% of Reported Claims)		
	Not work Related	Not Covered under Act	No Further Info
2002	9.1	[illegible]	[illegible]
2003	8.5	[illegible]	[illegible]
2004	10.1	[illegible]	[illegible]
2005	10.9	[illegible]	[illegible]
2006	10.4	[illegible]	[illegible]

[1] Reported Claims: New claims reported to the WCB in the current year, both accepted and unaccepted. Additional claims reported information can be found on the WCB's website, www.wcbsask.com

[2] Claims Accepted includes time loss, no time loss and fatality claims.

[3] Based on new claims reported to, and accepted by, the WCB in the year. Excludes claims not covered under the Act, not work related, still pending, and/or duplicated within the system.

[4] Based on claims reported prior to the year, but accepted by the WCB in the year. Excludes claims not covered under the Act, not work related, still pending and/or duplicated within the system.

[5] Average days on compensation based on new 2006-only time loss claims registered.

[6] Unaccepted claims are reported as a percentage of the total entitlement decisions for claims reported for the year. Entitlement decisions status is at February 1/07 for 2006 claims reported. (Claims are not accepted when the industry is not covered by *The Workers' Compensation Act*, a claim is not work related, or no further information is received following the initial report of the injury. Totals may not equal due to rounding.)

2006 top five industry codes with injuries*

Industry codes		Number of Claims Reported
G2	Health Authorities, Hospitals, Care Homes	5,010
B1	Construction Trades - Residential, Commercial and Industrial	3,269
C3	Grocery, Department Stores, Hardware and Wholesale Chain Stores	3,002
S2	Hostels, Independent Services, Restaurants, Hotels, Motels	2,738
M9	Agricultural Equipment, Machine Shops, Manufacturing, Iron and Steel Fabrication	2,259

* All claims reported and accepted in 2006.

2006 top five occupations with injuries*

Occupation	Number of Claims Reported
Nurses aides, orderlies and patient service associates	1,609
Welders and related machine operators	1,473
Truck drivers	1,367
Retail salespersons and sales clerks	1,222
Janitors, caretakers and building superintendents	906

* All claims reported and accepted in 2006

Long term earnings replacement awards

New Awards 2006	210
Number receiving at December 2006	2,192

Dependent spouses

New Awards in 2006	15
New Act Wage Loss Recipients (including 2006)	371
Old Act Life-Time Pension Recipients	211

2006 top five areas of injury*

Body Part	Number of Claims Reported
Back	6,074
Fingers	5,295
Eyes	2,705
Multiple	2,249
Hands	2,065

* All claims reported and accepted in 2006

Number of Permanent Functional Impairment Awards	
2002	484
2003	469
2004	431
2005	460
2006	509

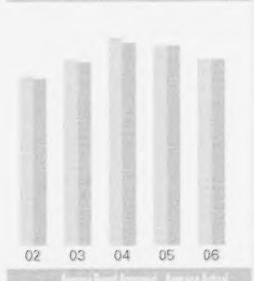
Assessment Ceiling	
2002	48,000
2003	51,900
2004	53,000
2005	55,000
2006	55,000

Number of Active Employer Accounts*	
2002	31,327
2003	31,630
2004	32,125
2005	32,851
2006	33,438

*Active employers excludes employers whose assessment accounts were finalized during the year.

Assessable Payroll (billions)*	
2002	9.50
2003	10.00
2004	10.47
2005	11.03
2006	11.66

*Payroll provisional as at December 31.



	Average Board-Approved Premium Rate*	Average Actual Premium Rate**
2002	1.67	1.65
2003	1.83	1.81
2004	2.05	2.00
2005	1.97	1.99
2006	1.84	1.84

* Average Board-approved premium rates are based on anticipated reported payroll at the beginning of the fiscal year.

** This rate consists of the base rate net of experience rating. 2006 rate was the Board-approved rate at time of publication.

Injury Rates and Claim Durations

Rate Code	Description	% of Workers Injured with Time Loss					Average Days				
		2006	2005	2004	2003	2002	2006	2005	2004	2003	2002
All Class**		4.05%	4.25%	4.40%	4.81%	4.95%	21.9	21.6	23.2	25.0	25.4
A11	Light Agricultural Operations	10.41%	12.62%	8.98%	11.37%	12.44%	23.0	19.5	28.0	26.0	22.1
A21	Farming & Ranching	4.44%	5.02%	3.70%	4.59%	4.79%	33.2	48.7	35.6	40.7	47.7
A31	Grain Elevators & Inland Terminals	1.06%	0.95%	1.18%	1.05%	1.17%	14.8	24.8	13.6	10.8	19.2
B11	Construction Trades	7.53%	9.28%	8.67%	10.04%	8.72%	17.6	19.8	22.2	19.3	21.2
B12	Residential Construction	8.79%	9.84%	9.45%	10.95%	11.30%	24.9	26.5	30.1	30.7	34.6
B13	Commercial, Industrial Construction	7.05%	7.93%	9.09%	10.95%	10.92%	34.8	25.3	29.4	35.4	30.3
C12	Light Commodity Marketing	1.35%	1.52%	1.36%	1.53%	1.36%	19.4	19.2	23.0	25.1	16.6
C32	Grocery, Department Stores, Hardware	3.37%	3.11%	3.38%	3.22%	3.54%	18.9	20.7	20.2	22.5	20.9
C33	Wholesale, Chain Stores	6.45%	7.31%	6.16%	6.87%	7.44%	17.2	17.3	18.1	22.1	23.2
C41	Co-operative Associations	4.54%	4.71%	4.17%	4.45%	4.11%	15.7	20.5	25.6	19.9	17.4
C51	Lumber Yard, Builders Supplies	6.01%	5.62%	5.66%	6.83%	6.48%	18.4	16.3	22.1	21.3	25.2
C61	Automotive, Implement Sales & Service	2.40%	2.82%	2.47%	2.81%	3.21%	17.4	19.9	22.3	24.3	22.6
C62	Automotive Service Shops, Towing	3.87%	4.71%	4.39%	4.84%	4.80%	19.2	18.8	20.5	22.4	26.9
D32	Operation of Oilwells	0.82%	0.89%	1.11%	1.12%	0.87%	31.3	14.2	31.4	55.1	12.7
D41	Oilwell Servicing	4.44%	5.53%	5.43%	6.50%	6.75%	17.7	31.7	28.1	32.4	36.7
D51	Service Rigs, Water Well Drilling	3.12%	3.65%	5.42%	6.89%	8.38%	49.0	45.9	51.0	34.4	48.1
D52*	Seismic Drilling	3.66%	2.91%	2.48%	4.88%	2.78%	41.0	32.7	54.7	67.4	62.9
D71*	Open Pit Mining	0.68%	0.94%	0.84%	4.28%	3.95%	7.7	14.7	37.0	11.7	24.0
D72*	Underground Softrock Mining	1.22%	1.32%	1.58%	1.91%	2.64%	28.0	21.7	16.0	14.1	31.6
D73*	Underground Hardrock Mining	3.17%	2.15%	2.02%	3.27%	2.16%	23.3	24.7	27.3	36.7	36.5
F11	Conventional Logging Operations	21.83%	21.66%	8.54%	30.89%	16.89%	28.8	39.0	43.8	41.1	55.5
F12	Mechanical Logging Operations	3.29%	4.24%	3.18%	5.29%	3.66%	33.8	34.8	32.8	26.8	44.2
F13	Log/Pulpwood Hauling	6.00%	5.15%	5.50%	11.73%	7.74%	21.5	52.6	45.5	37.8	37.3
F22	Planing, Sawing, Mills, Waferboard	6.61%	4.56%	4.68%	4.54%	6.68%	28.1	15.4	24.5	22.0	25.7
F31	Pulp and Paper Mills	0.63%	0.85%	1.08%	1.26%	2.70%	10.6	6.7	15.3	7.6	18.5
G11	Universities and Regional Colleges	1.95%	1.47%	1.58%	1.64%	1.50%	22.1	12.3	14.8	24.8	29.6
G12	School Divisions, Housing Authorities	3.67%	3.99%	3.82%	3.97%	4.00%	21.8	20.4	29.9	20.4	25.1
G22	Health Districts, Hospitals, Care Homes	6.31%	6.59%	6.83%	7.20%	6.85%	25.5	25.9	27.1	29.1	31.2
G31	Cities, Town, Villages, RMs	5.43%	5.64%	6.01%	6.04%	6.89%	16.9	13.9	17.0	19.1	19.4
G51	Government of Saskatchewan & Departments	3.75%	3.54%	3.73%	4.21%	4.11%	25.5	24.2	23.2	24.3	26.1
M31	Manufacturing, Pipeline Operations	1.36%	1.20%	1.38%	0.84%	1.34%	11.4	11.5	16.1	15.8	9.9
M33	Refineries and Upgrader	1.15%	1.14%	1.18%	1.41%	1.39%	17.4	15.7	22.2	12.7	14.5
M41	Dairy Products, Soft Drinks	10.20%	12.93%	14.05%	12.87%	13.70%	12.6	16.9	19.3	19.3	19.4
M42	Bakeries, Food Prep & Packaging	2.87%	3.21%	3.81%	3.52%	6.20%	21.2	19.0	14.0	22.7	25.1
M62	Mills, Semi Medium Manufacturing	11.59%	11.47%	11.37%	12.78%	12.98%	18.7	14.3	14.3	17.3	18.0
M72	Processing Meat, Poultry and Fish	12.32%	12.95%	20.05%	30.05%	30.21%	12.8	12.6	14.7	16.7	21.1
M81	Metal Foundries & Mills	3.19%	4.49%	3.93%	3.89%	4.77%	18.1	10.2	24.7	23.1	20.7
M91	Agricultural Equipment	11.94%	10.77%	12.75%	15.59%	18.32%	13.4	10.1	10.9	14.3	16.5
M92	Machine Shops, Manufacturing	12.87%	14.32%	12.80%	14.50%	16.38%	14.6	16.3	15.6	16.6	16.1
M94	Iron and Steel Fabrication	16.11%	16.99%	19.16%	21.47%	23.37%	12.8	11.8	11.8	11.8	13.5
R11	Road Construction and Earthwork	4.29%	5.67%	5.74%	5.96%	4.96%	32.5	30.8	36.5	37.9	37.5
S11	Legal Offices, Financial, Drafting	0.37%	0.39%	0.29%	0.30%	0.24%	22.6	11.8	22.7	39.0	22.1
S12	Offices, Professionals	0.92%	0.86%	0.78%	0.97%	0.73%	23.3	17.2	23.7	23.3	27.9
S21	Hostels, Independent Services	1.88%	2.18%	1.94%	1.74%	1.85%	17.6	22.0	23.6	24.2	25.1
S22	Restaurants, Catering, Dry Cleaning	1.92%	2.24%	2.33%	2.62%	3.00%	15.7	17.8	16.8	18.9	19.3
S23	Hotels, Motels, Taxis	2.80%	2.58%	3.15%	3.21%	2.96%	24.8	24.1	28.4	31.3	25.6
S32	Service Clubs	3.07%	3.58%	3.06%	3.06%	3.16%	22.3	18.3	23.6	31.7	38.1
S33	Caretaking, Park Authorities	4.21%	4.56%	6.17%	4.55%	4.08%	25.0	23.7	26.0	35.5	28.5
S41	Engineering, Testing & Surveying	0.71%	0.68%	0.76%	1.11%	0.87%	11.2	27.3	27.4	14.5	23.0
T42	Transportation, Courier, Commercial Bus	7.74%	8.53%	8.82%	9.74%	10.13%	31.9	34.8	32.7	37.7	38.5
T51	Operation of Railways	1.89%	1.74%	2.64%	3.19%	2.83%	54.0	28.9	35.9	37.0	28.5
T61	Commercial Air Transportation	2.14%	3.67%	7.38%	2.34%	3.30%	24.2	15.7	13.7	19.1	33.4
U11	Telecommunications	2.11%	1.46%	1.90%	2.52%	1.86%	17.5	15.2	14.1	17.0	21.0
U31	Electric Systems	1.76%	2.31%	2.82%	2.63%	3.19%	16.1	18.4	25.5	22.7	33.6

% of workers injured with time loss equals time loss claims divided by # of workers covered.
Number of workers covered calculated by dividing assessable payroll by the Statistics Canada average weekly wage for each rate code.
*In 2006 there were rate code reclassifications in class D. For years prior to 2006 the injury rates and average days shown are those calculated under the new classification scheme.
** All Class Injury Rate includes Government of Canada (Deposit Account)

Risk Management

"Risk" is defined as "anything that prevents or impedes an organization from achieving its goals and objectives." Because the WCB operates in a unique business environment, it combines risks that have an impact on its legislated obligations to administer the province's workers' compensation system with risks that are more familiar to large enterprises of many other kinds; for example, the financial services and disability insurance industries.

Earlier risk management exercises were undertaken only in terms of traditional financial risks and controls, such as investments, credit, interest rates and currency values. But managing risks to an organization's sustainability has come to the forefront in the past several years with public demand for more accountability and transparency in corporate management determining a broader view of risk.

The WCB has incorporated reviews of some of its strategic risks during strategic planning exercises starting in 2002. The larger strategic environment was determined to hold strategic risks from the economy, injury rates, stakeholder and partner support, population demographics, customer expectations, technology and natural disasters. As well, an information technology disaster recovery plan was completed in 2002, and a corporate business continuity plan was developed in 2004.

Since that time, risk management has become a

Risk Management

dedicated key result in the corporate strategic plan, with the following objective: "To establish an enterprise risk management process that mitigates risks that threaten the WCB's ability to successfully achieve its strategic goals and objectives."

Risk Management Objective: "To establish an enterprise risk management process that mitigates risks that threaten the WCB's ability to successfully achieve its strategic goals and objectives."

Risk Management Identification Process

In 2006, the WCB undertook an extensive review of its risks, as identified by senior management. Each strategic objective was examined for any risk to its success. If a known risk could have an impact on strategic objectives or on the entire organization, it was categorized as a "strategic risk". Risks whose scope are not so great are "process risks".

Inherent risks are those which exist naturally, by virtue of the organization's business or environment.

Residual risk is the risk that remains after controls have been applied to manage or reduce these risks. It is these residual risks to which an organization must turn its current attention and efforts.

The combination of the likelihood and impact of these risks was assessed and ranked according to the significance of the residual risks. It is these high-ranked residual risks which require immediate attention and to which further examination will be given during the 2007 strategic planning process. Properly applied, the risk management process assists in the allocation of time and resources.

A Risk Register was created to list the strategic and residual risks according to rank. Although social and economic change, natural disasters, pandemics and similar external threats were not identified while compiling current enterprise risks, the WCB management does not

discount their importance. They have been added to the Risk Register, but will not be of primary importance to the risk management process.

Monitoring risks will be ongoing, and the Register will be regularly updated as risks fall in importance because of business environment changes or because controls have been applied to them. Operational plans and business cases for process changes will require an accompanying inventory of relevant risks and how they will be managed. As well, annual budget activities will call for similar determination of risks, and hold the potential for successfully managing them, while at the same time identifying new risks to be added to the Risk Register.

Risk Management

The Risk Register was updated September 7/2006 during the annual Enterprise Risk Management workshop.

Following are the top three residual risks identified (strategic and process).

Risk Register

Strategic – Top Three Residual Risks:

Description of Risk	Existing Controls
Recruiting and retaining employees to meet WCB goals and objectives.	• Succession planning • Recruitment process • Competency based development
Access to appropriate health care services to optimize recovery, expedite service, and return to work.	• Establish contracts with medical professional associations
Internal controls and monitoring systems (manual and IT) do not address strategic level risks.	• Reviews undertaken by several internal groups • Strategic planning process • Balanced Scorecard improvements • Internal audit mandate

Process – Top Three Residual Risks:

Description of Risk	Existing Controls
No formal framework to prioritize front-line activities and forecast results for the organization as a whole.	• Strategic planning process • Balanced Scorecard • Quality Assurance / Quality Control business unit
Appropriate performance measures for key processes not tracked.	• Performance management system • Balanced Scorecard • Quality Assurance / Quality Control business unit
Goals and objectives of the SK health care system and WCB may not be aligned.	• Doctors on staff WCB Medical Services Department • Stakeholder relationship strategy • Establish contracts with medical professional associations

Appeals Report

WCB's Appeals process gives all clients dissatisfied with a WCB decision on a claim the ability to have that decision reviewed. Over the past few years, the WCB has focused attention on making the appeal process more accessible and user friendly, so that clients are assured that their concerns are thoroughly and independently reviewed.

When a decision is made on a claim, the claims entitlement specialists or case managers inform the client of the outcome of that decision. As well they advise the client that they can have the decision reviewed through the WCB's appeal process.

Clients are provided with a fact sheet outlining the appeal process which includes an explanation of how to launch an appeal. There are two levels of WCB appeals available to clients, with a third level to decide bona-fide medical questions only.

The Appeals Department provides the first level of appeal for injured workers, or for employers, who feel a case deserves re-consideration. An Appeals Officer will determine if claims have been administered within the legislative and policy authority that governs the WCB. After a complete review of all of the file information relative to the appeal issue, the Appeals Officer will provide the client a written decision on the appeal issue.

Clients not satisfied with the outcome of the first level appeal can request to have the issue reviewed in the WCB's second level appeal, the Members of the Board. The Board Members are the final level of appeal for all matters unless there is a bona-fide medical question to be decided. A bona-fide medical question may be referred to a medical review panel of physicians.

If the employer is disputing the classification of their firm, the rate code to which they are assigned or their assessment rate, the appeal is first considered by the REA Assessment Committee. If not satisfied, the employer may appeal to the Appeals Department, and ultimately to the Board as their final level of appeal. Appeals on experience rating are first considered by the REA Assessment Committee, then may go directly to the Board.

Appeals Department

The number of incoming appeals and appeal decisions declined in 2006 from the previous two years. There were 1,008 incoming appeals, perhaps signaling a reversal of the trend to increasing numbers of appeals. The number of appeal decisions also decreased proportionately.

Over the last three years, considerable time and effort has been devoted to both reducing client appeal wait times, and to increasing the productivity within the Appeals Department. In early 2004 there was a backlog of over 425 appeals and clients had to wait over 160 days on average, for a decision.

By late spring of 2006, the backlog in appeals and cycle time for decisions had been reduced to an impressive 83 appeals and 34 days respectively. This cycle time was the best among all Canadian WCB internal appeals departments. However, due to some staffing issues within the department, these measures regressed somewhat by the end of the year to 153 appeals and approximately 60 days respectively.

Throughout 2006, additional time was spent on efforts to increase the quality of work and consistency within the Appeals Department. Appeals Officers were provided professional training on Administrative Justice and Decision Writing. The Appeals Department has published its formal Mandate and developed Guiding Principles for evidentiary review and weighting of evidence.

Given the recent increase in the appeal backlog and regression in the decision cycle time, the department's primary goal for early 2007 will be to return to the service levels provided in the late spring of 2006.

Appeal Department Activity

Appeals Activity					
Appeals Received	1008	1149	1077	1081	979
Decisions					
Accepted	209	254	266	197	176
Denied	534	801	639	422	414
Returned for Development	190	259	231	221	206
Total	933	1314	1136	840	796
Withdrawn	42	22	42	44	35
Appeals Pending	**153**	**120**	**307**	**408**	**211**
Average days to decision	51	77	157	149	69
Appeals decided within 30 days	24.3%	26.3%	21.9%	18.8%	20.9%
Appeal Meetings	44	75	98	86	53

Nature of Appeals

Issue					
Initial Acceptance	317	359	290	269	292
Relationship	176	216	177	198	165
Recovery / Fitness	98	140	189	188	166
Cost Relief	70	59	67	85	69
Recovery / Pre-existing condition	57	27	67	56	54
Estimated Earning Capacity	49	55	74	65	50
Expenses	47	77	29	31	20
Wage Base	34	32	24	22	20
Suspension	31	46	43	36	26
PFI	29	44	42	43	33
Retraining	18	23	23	11	22
Overpayment Recovery	15	4	2	*	*
Wage Loss Benefits	13	**	**	**	**
Independence Allowance	13	22	8	14	14
Dependants	1	6	0	1	1
Other	40	39	42	62	47
Total	**1008**	**1149**	**1077**	**1081**	**979**

* New category of appeals in 2004
** New category of appeals in 2006

Source of Appeals

Source					
Worker	671	820	717	659	613
Worker's Advocate	109	95	114	120	107
Employer	73	65	75	116	147
Union Official	31	24	49	48	34
Lawyer	28	35	32	27	27
Family	3	10	5	14	15
Other Representatives	93	100	85	97	36
Total	**1008**	**1149**	**1077**	**1081**	**979**

Board Appeals

Appeals Activity					
Board Appeals					
Appeals received	233	308	284	240	297
Decisions made:					
- Appeal successful (accepted)	110	108	115	124	108
- Original decision upheld (denied)	113	139	152	170	122
Total	233	247	267	294	230
Appeals withdrawn	15	14	19	11	11
Appeals pending	119	122	74	75	140
Average number of days for decision	161	16	94	172	163
Oral Hearings	81	155	118	166	123

Source of Appeals (Descending order by current-year volume)					
Source					
Worker's Advocate	108	120	102	77	85
Worker	76	89	99	82	120
Other representative	27	26	33	32	23
Employer	13	47	32	28	39
Lawyer	4	13	11	10	22
Union Official	3	9	5	5	7
Family	2	4	2	6	1
Total	**233**	**308**	**284**	**240**	**297**

NATURE of Appeals (Descending order by current-year volume)					
Issue					
Initial Acceptance	65	69	61	59	72
Relationship (Of one injury to another)	58	82	83	65	87
Recovery/Fitness (Ability to return to work)	45	60	60	48	55
Other	20	16	10	8	15
Estimated earning capacity	10	14	14	19	13
Wage base	8	8	8	5	4
Permanent Functional Impairment (PFI)	6	6	6	8	14
Cost relief	6	26	21	16	18
Transportation expense	4	15	7	7	4
Assessment Rates and Surcharge	4	7	6	4	2
Retraining	4	2	4	3	10
Suspension	3	2	3	0	3
Dependants	0	1	1	0	0
Total	**233**	**308**	**284**	**240**	**297**

For individuals not satisfied with the decision in the first level of appeal, the WCB provides a second level of appeal. By writing and outlining the grounds for their dispute, clients can have their case heard by the members of the WCB Board.

The decisions made by Members of the Board are based on information in the claim file and on any additional information which is provided in writing or at a hearing. In this process, the Board is not bound by existing policy in making its decisions; a decision not following corporate policy does not suggest a new policy has been created. Board decisions are not precedent-setting; WCB staff are bound by the decisions of the Board.

In 2006 the Board saw a significant reduction in the number of appeals from the previous year. The average wait time on appeals was high at the start of the year as a result of a very high level of appeals of the prior year. As a result of staff turnover, wait times remained relatively high for most of the year, but by year end significant gains were made in this regard.

Medical Review Panels

The medical review panel is the final option available to injured workers once all other avenues of appeal have been attempted. This review is done when a worker's doctor or chiropractor disagrees with the Board's decision, based on medical grounds. After consulting with the Saskatchewan Medical Association, the chairperson for the panel is chosen by the WCB. The worker chooses the medical practitioners that sit on the panel. The decisions of this panel are binding on both the worker and the WCB.

In 2006, 15 panels were held compared with 11 in 2005, and 7 in 2004.

Appeals Activity

Panels held	15	11	7	9	29
Decisions made:					
- Appeal successful (accepted)	7	5	4	3	14
- Original decision upheld (denied)	8	6	3	4	14
Total	15	9	7	7	28
Pending	0	2	0	2	1

Nature of Appeals

Relationship (Of one injury to another)	12	9	6	8	25
Recovery/Fitness (Ability to return to work)	2	2	0	1	2
PFI	0	0	1	0	2
Other	1	0	0	0	0
Total	15	11	7	9	29

Fair Practices Office

The Fair Practices Office (FPO) was established in November 2003 and works like an internal ombudsman. It is the FPO's job to listen to client concerns, provide information to workers and employers on how the WCB system operates, sort out and investigate client concerns and strive to improve the overall level of service provided to our clients.

It is the FPO's job to listen to client concerns, provide information to workers and employers on how the WCB system works and sort out and investigate client concerns.

While the Fair Practices Officer is an employee of the WCB, the position is independent of the operations of the organization. It reports directly to the Board Members through the Chairman. The office provides service to both workers and employers, but the vast majority of its contacts are with injured workers – over 90 per cent in 2006. All inquiries are confidential.

The Fair Practices Office doesn't handle appeals and doesn't get involved with problems that have been sent to an Appeals Officer or to the WCB Board Members.

Some of the problems the Fair Practices Office looks at include:

- delays in adjudication, communication, referrals or payments
- staff conduct
- problems with verbal or written communication
- implementation of appeal decisions
- employer account issues
- administrative payments
- misapplication of policy

All inquiries involve a two-step process.

The Intake and Inquiry Officer responds to initial calls to the office. Concerns are heard and listened to there first. General information is provided about the WCB and, if needed, the Intake Officer deals with specifics about the status of a claim. Attempts are made to resolve concerns at this stage, and this may include conducting initial inquiries with WCB staff members. The majority of files are resolved at this

level. Those requiring an in depth review are referred to the Fair Practices Officer for a full investigation.

A full investigation can be detailed and lengthy. It involves:

- looking at an injured worker's or employer's concerns
- talking with anyone involved in the case
- assessing what actions have taken place
- reviewing the policies used to make a decision on a case
- explaining the results of the investigation to the complainant
- recommending any corrective action required

All of the office's recommendations are given serious consideration and the vast majority are accepted. The initial focus is on the specific complaint being investigated, but the Office is vigilant in seeking systemic improvements that can benefit workers, employers and the WCB in the future.

The ultimate goal for the Fair Practices Office is quality service for all WCB customers.

One of the goals for 2007 is to enhance public awareness of the Fair Practices Office. Activities are planned to broaden the awareness of the Office.

The following are comparative statistics for the calendar years 2004 through 2006.

Number of Complaints Received			
	2004	2005	2006
Complaints received	397	384	365
Re-opened	20	41	28
Total	417	425	393

Source of Complaints	%		
	2004	2005	2006
Injured Workers	87.2	94.5	90.7
Employers	9.8	3.9	8.2
Other	3.0	1.6	1.1
Total	100.0	100.0	100.0

Category of Complaint			
	2004	2005	2006
Disagree with Decision	232	214	178
Timeliness & Process Delays	67	76	66
Communications/Service issues	47	31	40
Information requests	47	58	74
FPO issues (systemic)	4	3	3
Other	0	2	4
Total	397	384	365

Complaint Resolution (closed files)			
	2004	2005	2006
Completed by FPO without referral	205	233	204
Called (WCB) for clarification	51	38	24
Referred to WCB for detailed review	141	113	134
Total Closed	397	384	362

Outcome of Referrals to WCB			
	2004	2005	2006
Decision changed	23	15	17
New action taken	89	90	103
Reviewed –no change	29	8	14
Total	141	113	134

Response Time (closed files)	%		
	2004	2005	2006
0-7 days	62.0	70.6	63.5
7-30 days	19.6	18.9	20.7
Over 30 days	18.4	10.5	15.8
Total	100.0	100.0	100.0

Case Studies

#99 – S.I.N.

An injured worker complained that his Social Insurance Number (SIN) was printed on the W3 form that WCB sent to him for completion on a regular basis. It was his view that it was unnecessary for his SIN to appear on this form and was concerned about identity theft as some of his mail had been misdirected in the past. He also considered this to be an inappropriate use of his SIN as his WCB claim # was already on the W3.

The Fair Practices Officer reviewed this question with the WCB solicitor. He confirmed that WCB was authorized to use the SIN for federal income tax purposes. Any other usage would have to be based upon a legitimate business purpose. The FPO approached the director of the south region and he readily agreed that the SIN was not required on the W3. Further, he agreed to review all documents that WCB required use of a SIN#. His subsequent review resulted in the SIN# requirement being removed from a total of 5 documents used by WCB, including the W3.

#183 – Fair Practices for both employer and injured worker.

The initial inquiry came from an employer who was upset that WCB had accepted a claim on behalf of one of their employees without offering the employer an opportunity to dispute the claim. The employer worked on-site in a small work unit and felt they knew the personal circumstances of all of their workers. No injury had been reported to the employer or supervisor until several months after the date of the alleged injury. The employer agreed this particular worker was now disabled, but disputed that any injury had occurred at the workplace.

As part of the investigation of this claim, the FPO met with the supervisor of the Claims Entitlement unit. The office relayed the

employer's concerns that they did not have an opportunity to present their side of the case before a decision was made to accept this claim. A crucial factor in a fair process is the opportunity to be heard. During our meeting the question of the medical explanation of the worker's injury also arose. The supervisor agreed to have the file sent to a WCB medical consultant for an opinion as to whether the worker's condition was due to the reported work injury or to a prior non-compensable medical treatment the worker had received many years prior.

Additional medical reports were obtained from the worker's physicians and it was subsequently determined that the worker's condition was a direct result of prior non-compensable surgery and not due to the workplace incident. As a result, all costs related to this claim were removed from the employer's account and charged to WCB's administration fund.

The injured worker was then sent a letter explaining that her claim had been denied and detailed reasons were provided. The injured worker was informed that benefits would terminate in two weeks, to allow her to make alternate financial arrangements. The date on the letter to the worker was only 5 days before the date of termination of her benefits. Assuming a couple of days for mail delivery, the FPO did not believe this provided adequate notice to the injured worker. The office brought this issue to the team leader's attention and

Case Studies

it was agreed that two weeks' notice should have commenced effective the date on the letter to the worker. Her benefits were subsequently extended to provide the full two weeks of notice.

#223 – Vocational training not successful

In an ideal world, when an injured worker requires retraining for a new occupation within the physical restrictions resulting from their work injury, they would then be successful in obtaining employment in that new occupation. In some instances, even following retraining, the injured worker is unable to obtain employment in that occupation. WCB must then make a very difficult decision and estimate the worker's loss of earnings subsequent to the retraining.

This particular worker was 55 years of age and was awaiting a knee replacement, once his surgeon determined he was old enough to have the procedure done. He was clearly unable to continue his occupation of 30 years as a heavy duty mechanic and thus a retraining program had been provided for him. The worker had diligently applied himself to the training and was successful in completing it ahead of schedule. He was also diligent in preparing a resume and applying for any jobs in the field for which he had been trained. Despite a couple of job interviews – no job offers were received. WCB provided him an extended period of job search, but at the end of that time period, he was estimated capable of earning the average provincial wage for the industry he had been trained in - $26.83/ hour. As this wage exceeded the worker's pre-injury wage rate, his benefits were terminated.

At the time the worker approached the office, he had obtained employment with one of his previous employers doing pick up and delivery of light parts.

He enjoyed the job and was able to manage without too much difficulty with his knee. The problem was that his wages were only $8.95/hr. He thought it was unfair to be considered capable of earning $26.83/hr. when he had never worked in the new industry as no employer had been prepared to hire him.

The FPO reviewed this matter with the director and with vocational services. Both agreed that proper planning and vocational testing prior to retraining this worker had not occurred. The director agreed to have a vocational services representative contact the worker and re-evaluate the options. As a result of this review, it was determined the man was suitably employed within his restrictions in the position of parts delivery. There was potential for him to receive wage increases in the future and WCB agreed to top up his wages to the level of his pre-accident earnings.

2006 – 2008 Strategic Plan

The WCB's strategic plan has five parts: A Vision Statement, Mission Statement, Statement of Beliefs, Values Statement, and Strategy Statements. Taken together, the statements advance the organization towards its planned future.

The integrity of the organization is about organizational behaviour as well as financial performance.

The strategic plan is reviewed by the WCB Chairman and Board Members every year. Modifications may be made to integrate progress from the past year, to manage matters in the external environment, and to make adjustments for the next three-year planning cycle.

Strategic planning is an informed process. The WCB Chairman and Board Members gather information from four principal sources: their external environment, operational data and reports, experience and knowledge gained from their duties as Board Members, and customer service feedback. This source information serves as a database to the planning process, informing and clarifying discussions and decisions.

Strategic plans require clear and precise language. This ensures a common understanding of intents and goals between planners, those who use the plans to guide their activities, and those who are interested in or affected by the plans.

At the conclusion of their 2006 planning, the Chairman and Board Members determined that the WCB's strategic plan required greater clarity in these areas:

1) Distinct Vision and Mission statements – This change reflects a continuing precision that planners are bringing to their task as the strategic plan rolls out, and planning processes mature.

2) The Mission Statement concerning communication of our distinct identity, benefits, and values – This change emphasizes the importance planners place on clear communications with our clients and stakeholders.

3) The Mission Statement concerning the integrity of the WCB – This change reflects the planners' appreciation that the integrity of the organization is about organizational behaviour as well as financial performance.

The balance of the WCB's strategic plan was unchanged.

2006 – 2008 Strategic Plan

VISION STATEMENT

In serving injured workers and employers, our vision is to excel in the development and delivery of workers' compensation and injury prevention programs and services.

MISSION STATEMENT

In support of our vision, our mission is to:

1. Provide the right service, at the right time, and be cost-effective in our processes.
2. Act with dignity and treat everyone with respect.
3. Conduct our business in a fair, open, honest and professional manner.
4. Bring about positive relationships with workers, employers, and others affected by the workers' compensation system.
5. Communicate clearly our distinct identity, benefits and values.
6. Expect and recognize individual and corporate achievements and contributions to our workplace.
7. Ensure the organizational and financial integrity of the Workers' Compensation Board.

Statement of Beliefs

The Statement of Beliefs is rooted in the Meredith Principles and describes what the WCB holds to be true about Saskatchewan's compensation system, our stakeholders, and the nature of our relationships with workers, employers, and the people of Saskatchewan.

Our corporate beliefs are:

1. Injured workers and employers deserve excellent service.
2. Workers, employers and others deal with us honestly.
3. Employers care about their employees and care that their employees receive excellent service.
4. The WCB's future relies on positive relationships built on trust, understanding and cooperation in our programs and services.
5. WCB employees want to excel in customer service.
6. The WCB is guided by its corporate values in all of its decisions.

Values Statement

Our corporate values are the standards by which our actions and decisions are to be considered and judged by others.

1. Dignity – those we serve and those we work with are treated with respect and consideration.
2. Fair – those we serve and those we work with are treated equally and without prejudice or bias, and in a timely manner.
3. Honest – those we serve and those we work with are treated truthfully.
4. Open – our programs and services are easy to access and to understand. Our decisions and actions are clear, reasonable and open to examination.

Strategy Statements

The strategy statements are meant to be interrelated and mutually supportive. They represent a comprehensive, preferred future for the organization.

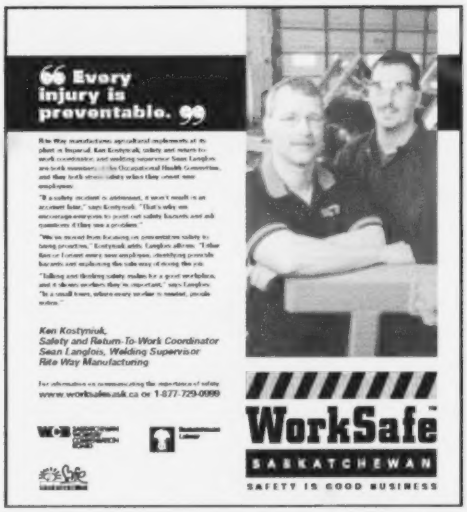
Service – We will provide support to injured workers, their families and employers when they need it most. We will develop and promote injury prevention programs. We will return injured workers to wellness, including the return to suitable employment.

Relationships – We will continue to build relationships that serve the interests of workers and employers.

Strategic and Risk Management – We will follow a planning process that anticipates and responds to the environment, that integrates operational planning, and that results in service and management excellence and efficiency. We will follow a risk management process that identifies and mitigates risks that jeopardize the implementation of the strategic plan.

Employee Relations – We will promote pride in WCB employees and require accountability for individual and corporate achievements, and responsibility for how work is accomplished.

2006 – 2008 Operational Plan



The WCB's operational plan supports the achievement of the Board Members' strategic plan. It is the responsibility of the WCB executive to determine the operational plan and, through the plan, to achieve the strategy set out by Board Members. This is accomplished by dedicating corporate resources and effort towards a set of key results and operational objectives.

The WCB's Chief Executive Officer and Executive Committee review the WCB's operational plan each year. Changes may be made in response to changes in the Board's strategic plan and to reflect progress made in the prior year towards operational objectives. This ensures alignment with the Board's strategic plan and provides for organizational stability from year to year.

The WCB's operational planning model requires that the Executive Committee jointly develop Key Results, Objectives and Integrated Programs that guide corporate action. This ensures that these elements of the operational planning model are cross-functional, mutually supportive, and adequately resourced.

Revisions to the Existing Operational Plan

Following its annual review, the Executive Committee determined that the seven Key Results in the Operational Plan remained current and did not require change.

The objectives for two Key Results, however, were revised to reflect the Board's ongoing concerns about the rate of workplace injuries and to incorporate progress made in the prior year.

The objective for Key Result: Safety and Prevention has been rewritten to reflect continuing corporate attention to a reduction in the provincial injury rate. The new language is:

To achieve a continuous reduction in workplace injuries, as measured by the provincial Time Loss injury rate.

Targets

2006 – 4.00%

2007 – 3.85%

2008 – 3.70%

2009 – 3.60%

2010 – 3.50%

The seventh Key Result – Strategic Risk Management – was introduced in the 2005-2007 Operational Plan to achieve a strategic directive that the WCB establish an enterprise risk management process. This was accomplished in 2005. The Key Result remains relevant, however, as the enterprise risk management process and its requirements are introduced within the organization. The objective for this Key Result was amended to reflect the evolution of enterprise risk management at the WCB. The new language reads:

Objective: To implement risk management processes to identify and mitigate risks to the accomplishment of the corporate strategic and operational plan.

2006 – 2008 Operational Plan

KEY RESULT:

Excellent Service

OBJECTIVE:

To achieve a customer satisfaction rating of 4.75 out of 5 as defined by the Common Measurements Tool survey methodology.

OBJECTIVE SUPPORTS:

Service Strategy: We will provide support to injured workers, their families and employers, when they need it most. We will develop and promote injury prevention programs. We will return injured workers to wellness, including the return to suitable employment.

Relationship Strategy: We will continue to build relationships that serve the interests of workers and employers.

Employee Relations Strategy: We will promote pride in WCB employees and require accountability for individual and corporate achievements, and responsibility for how work is accomplished.

PROGRESS MADE:

Strategies were implemented in 2006 for Chambers of Commerce and First Nations and Aboriginal communities to build relationships that serve the interests of workers and employers.

The nine recommendations from the review of the Early Intervention Program have been implemented or are in the process of being implemented.

Electronic supports for telephone customer service are near completion and expected to be operational in 2007.

Review of written correspondence to injured workers is underway.

Customer service research is being used to develop service improvements for injured workers and employers.

A partnership with business organizations is in place to produce a WCB primer for small businesses.

The WCB continued to monitor stakeholder satisfaction with WCB services. Results for 2006 show a slight decline for the workers' ratings at 3.99 out of 5 and ratings for employer satisfaction were up to 4.21 out of 5.

KEY RESULT:

Competent People

OBJECTIVE:

To have 90 per cent of WCB employees demonstrate competence as measured through the performance management process.

OBJECTIVE SUPPORTS:

Service Strategy: We will provide support to injured workers, their families and employers, when they need it most. We will develop and promote injury prevention programs. We will return injured workers to wellness, including the return to suitable employment.

Strategic and Risk Management Strategy: We will follow a planning process that anticipates and responds to the environment, that integrates operational planning, and that results in service and management excellence and efficiency. We will follow a risk management process that identifies and mitigates risks that jeopardize the implementation of the strategic plan.

Employee Relations Strategy: We will promote pride in WCB employees and require accountability for individual and corporate achievements, and responsibility for how work is accomplished.

PROGRESS MADE:

The Saskatchewan Human Rights Commission has designated the WCB a sponsor of an equity program.

A WCB employee wellness program was launched with emphasis on fitness, nutrition and exercise.

Management and leadership training was provided to recent hires and promotions.

A technical competency dictionary was developed (a leading practice item) to support training needs assessment for front-line employees.

The rollout of succession planning advanced during the year. Key positions have been identified and some screening criteria have been established.

Steps are underway to add individual performance indicators to the performance management system.

2006 – 2008 Operational Plan

KEY RESULT:

Financial Integrity

OBJECTIVE:

To protect benefit entitlement and maintain competitive rates, the WCB will achieve 100 per cent funded status, as required by policy, by December 31, 2012.

OBJECTIVE SUPPORTS:

Strategic and Risk Management Strategy:
We will follow a planning process that anticipates and responds to the environment, that integrates operational planning, and that results in service and management excellence and efficiency.

We will follow a risk management process that identifies and mitigates risks that jeopardize the implementation of the strategic plan.

A study completed in 2006.

PROGRESS MADE:

The WCB procurement policy has been updated to include best and leading practices.

An asset liability study was completed as part of the ongoing review of the WCB's financial assets and liabilities.

KEY RESULT:

Effective Processes

OBJECTIVE:

To achieve business outcomes ensuring that applicable controls and standards are developed, implemented and monitored for key business processes.

OBJECTIVE SUPPORTS:

Service Strategy: We will provide support to injured workers, their families and employers, when they need it most. We will develop and promote injury prevention programs. We will return injured workers to wellness, including the return to suitable employment.

Strategic and Risk Management Strategy: We will follow a planning process that anticipates and responds to the environment, that integrates operational planning, and that results in service and management excellence and efficiency. We will follow a risk management process that identifies and mitigates risks that jeopardize the implementation of the strategic plan.

PROGRESS MADE:

Discussions will be held with professional associations in 2007 to discuss the need for, and parameters of, a quality assurance process for health care billings.

Work is progressing on the development of electronic tools to standardize the delivery of internal WCB services.

2006 – 2008 Operational Plan

KEY RESULT:

Effective Business Relationships

OBJECTIVE:

To build effective business relationships that advance mutual interests as measured by defined outcomes.

OBJECTIVE SUPPORTS:

Service Strategy: We will provide support to injured workers, their families and employers, when they need it most. We will develop and promote injury prevention programs. We will return injured workers to wellness, including the return to suitable employment.

Relationships Strategy: We will continue to build relationships that serve the interests of workers and employers.

PROGRESS MADE:

The Manager of Stakeholder Relations was hired in 2006 and began the development of relationship standards and management of the implementation of relationship strategies.

Priority attention has been given to relationships with the seven largest chambers of commerce and with First Nations leadership.

Memorandums of Agreement with external partners have been reviewed and provided to senior decision makers.

KEY RESULT:

Safety and Prevention

OBJECTIVE:

To achieve a continuous reduction in workplace injuries, as measured by the provincial Time Loss injury rate.

TARGETS

2006 – 4.00%
2007 – 3.85%
2008 – 3.70%
2009 – 3.60%
2010 – 3.50%

OBJECTIVE SUPPORTS:

Service Strategy: We will provide support to injured workers, their families and employers, when they need it most. We will develop and promote injury prevention programs. We will return injured workers to wellness, including the return to suitable employment.

Relationships Strategy: We will continue to build relationships that serve the interests of workers and employers.

PROGRESS MADE:

The province's time loss injury rate dropped from 4.25 per cent to 4.05 per cent

Three-year plans are in development for the ***WorkSafe Saskatchewan*** steering committee and ***WorkSafe Saskatchewan*** website committee.

A Joint Industry Committee (JIC) was successfully implemented and two JIC documents were prepared for distribution: a Framework of Standards for Health and Safety Programs, and Introduction to Framework of Standards for Health and Safety Programs.

The Experience Rating Program was reviewed and improvements were implemented with 2007 premiums.

The WCB collaborated with ***Safe Saskatchewan*** on a falls prevention strategy for the province.

The ***WorkSafe Saskatchewan*** social marketing campaign was expanded to include a community outreach program with a live mascot and ***WorkSafe Saskatchewan*** transit buses in Regina and Saskatoon.

The WCB co-sponsored with WorkSafeBC research into societal attitudes towards workplace injuries.

A Safe Employer award was established to complement the Safe Worker award that was launched in 2006.

2006 – 2008 Operational Plan

KEY RESULT:

Strategic Risk Management

OBJECTIVE:

To establish an enterprise risk management process that mitigates risks that threaten the WCB's ability to successfully achieve its strategic goals and objectives.

OBJECTIVE SUPPORTS:

Strategic and Risk Management Strategy:
We will follow a planning process that anticipates and responds to the environment, that integrates operational planning, and that results in service and management excellence and efficiency. We will follow a risk management process that identifies and mitigates risks that jeopardize the implementation of the strategic plan.

PROGRESS MADE:

Integration of the risk register was advanced. Operational planners now mitigate strategic risk, and business planners mitigate process risk, as planning requirements.

Review of the risk register is now an element in the annual planning cycle.

Board Policy Decisions

(New Policies Adopted January 1 2006 to Present)

Policies – 2006

2.1.5 POL 01/2006

Wage Base – Maximum Assessable

Pursuant to Section 137(2) of the Act, this policy sets the maximum assessable wage rate for 2006 and subsequent years at $55,000 as specified in Section 38.1.

7.1.1 POL 02/2006

Medical Boards - Repeal

This policy repeals POL and PRO 21/94 – Medical Boards, as the current system of secondary and tertiary reviews has made these types of Medical Boards redundant. Claimants may appeal their medical status through the normal appeal process, and if not successful, reconsideration may be requested by way of a Medical Review Panel.

4.1.3.6 POL 03/2006

Compensation Rate - Maximum, 2006 - Section 38

Commencing in 1975 and annually thereafter Section 38 directs WCB to review the wages and salaries earned by workers who suffered injury and to whom compensation was paid during the period of one year immediately preceding 30 September of the year of the review. This policy sets out the maximum wage rate for any worker sustaining injury before 01 September 1985 be increased to $54,000 per annum effective 01 January 2006.

1.16 POL 04/2006

Coverage - Volunteer Fire Fighters

Prescribed by Section 3(bb) of The Workers' Compensation Act Exclusion Regulations, this new policy and its complementary procedure sets out the terms and conditions for coverage of volunteer fire fighters who are registered members of a municipal fire brigade. Coverage shall be in effect from the time of notification of a fire and includes travel from the individual's residence or location to the site of the fire and return provided there are no deviations for personal reasons. Coverage is also in effect while attending volunteer fire fighter training.

Board Policy Decisions
(New Policies Adopted January 1 2006 to Present)

2.2.1.3 POL 05/2006

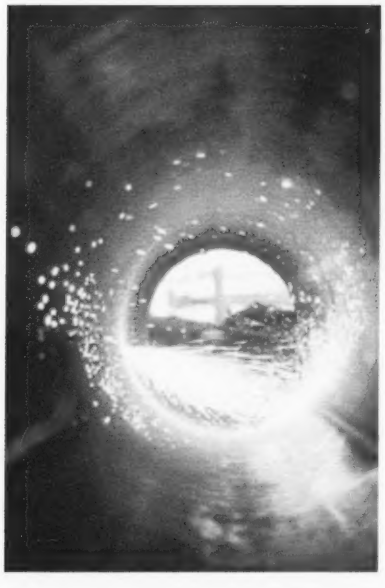
Experience Rating Program

Following discussions with employers, it has been determined by the Board that the parameters of the experience rating for 2006 will be held at 2005 levels. The Experience Rating Committee will reconvene in 2006 prior to any further changes to policy.

2.1.3.2 POL 06/2006

Classification of Industries – 2006 Premium Rates

This policy is updated as a result of a classification review of the mining industry. The codes D11, D12, D21, D61, D62 and D63 have been replaced with rate codes D71 (Open Pit Mining), D72 (Underground Softrock Mining) and D73 (Underground Hardrock Mining). The premium rates for the new mining industry rate codes will be retroactive to January 1, 2006.



1.9 POL 07/2006

Coverage – Students in Work-Based Learning Assignments

Effective November 1, 2006, this policy has been updated to reflect the recent government reorganization of Saskatchewan Learning. There are now two departments responsible for education: Saskatchewan Learning which continues to administer Kindergarten to Grade 12 (K-12) and Saskatchewan Advanced Education and Employment which oversees post-secondary education and courses offered by community based organizations (CBOs). On advisement of the departments, the schedules for K-12 schools and post-secondary institutions are updated and attached to the policy.

2.1.3.2 POL 08/2006

Classification of Industries – 2007 Premium Rates

In October 2006, provisional premium rates were established using the rate setting model of the Workers' Compensation Board (WCB). These rates were discussed with employers and their associations during meetings held between October 10 and 17. Taking into consideration the feedback received from these meetings, WCB approved POL 08/2006 to establish the premium rates for 2007.

4.1.3.6 POL 09/2006

Compensation Rate – Maximum, 2007 – S. 38

Commencing in 1975 and annually thereafter Section 38 directs WCB to review the wages and salaries earned by workers who suffered injury and to whom compensation was paid during the period of one year immediately preceding 30 September of the year of the review. This policy sets out the maximum wage rate for any worker sustaining injury before 01 September 1985 to be $55,000 per annum effective 01 January 2007.

2.2.1.3 (POL 01/2007)

Experience Rating Program

In December 2005, WCB received feedback from stakeholders in regards to the 2006 changes to the Experience Rating Program. As a result, the Experience Rating Review Committee reviewed and provided recommendations for changes to the program for 2007, approved under this new policy (POL 01/2007) and its complementary procedure (PRO 01/2007).

Board Policy Decisions
(New Policies Adopted January 1 2006 to Present)

5.1 (POL 02/2007)

Initial Entitlement & (Re) Employment Assistance-Dependent Spouses

In accordance with Sections 83 and 97 of the Act, this new policy specifies initial entitlement to benefits and re-employment assistance for dependent spouses where the death of the worker may or may not be due to the compensable injury.

6.9 (POL 03/2007)

Calculation of Net Compensation Payable

In accordance with Section 68(4) of the Act, this policy and its complementary procedure (PRO 03/2007) establishes a schedule setting out a table of earnings for the purposes of Section 68(3)(b). Probable deductions are based upon the information that the worker has authorized the employer to deduct from his/her employment earnings for income tax purposes and which is available as of the commencement of the loss of earnings. Where, after the initial commencement of loss of earnings, a change occurs to the dependent status (e.g., through birth or death); or WCB tax tables (due to federal and/or provincial government announcements regarding retroactive income tax changes); the wage base will be adjusted, prospectively, on the anniversary of the claim. A worker's original wage base will not be adjusted retroactively.

WCB policies and procedures are public and accessible at www.wcbsask.com

WCB

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